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C O N F I D E N T I A L SECTION 01 OF 02 STOCKHOLM 000848

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TAGS: [PGOV](#) [SW](#)

SUBJECT: SWEDEN: OPPOSITION GEARS UP FOR 2010 ELECTION

Classified By: CDA Robert Silverman for reasons 1.4 (b) and (d)

Summary

1. (C) The opposition Social Democrats (SDP), Green Party, and Left Party (formerly the Communist Party) announced in early December the formation of the Red-Green Coalition for the 2010 parliamentary elections after weeks of intense negotiations. In forming the first-ever coalition bloc involving her party, SDP party leader Mona Sahlin is attempting to find a balance between retaining left-leaning SDP members and attracting back right-leaning SDP-deserters. But bringing the Left Party into the coalition risks losing SDP moderates. Elections are scheduled for September 2010 and the three parties have formed working groups to agree on a common election platform by spring of that year. Swedish voters now have a fairly clear choice between the ruling center-right Alliance and the new "Red-Green" opposition. End Summary.

The Opposition Forms its Own Alliance

2. (C) The four-party center-right coalition government, known as the Alliance, dethroned the Social Democrats (SDP) in 2006, gaining a seven-seat majority in Parliament on the strength of its joint election manifesto that emphasized jobs, tax relief, and economic growth. "The conservatives were more Social Democrat than we were," said SDP International Secretary Ann Linde to POL Counselor recently, "and they stole 160,000 of our long-time supporters."

3. (U) On December 7, the SDP, Green and Left Parties announced they would form a coalition with a joint election manifesto to regain control of the Parliament and take over the government in 2010. The SDPs have never entered into a formal coalition before, instead ruling for 65 of the last 74 years as a single party government that was able, in most cases, to gain support in Parliament from the Greens and the Left Party. "This is a new phase in Swedish politics," SDP leader Mona Sahlin told the press.

4. (C) The SDP is setting the conditions of coalition membership, and Linde told us that the party's "non-negotiable demand" is that potential partners accept a government budget ceiling that would preserve "Sweden's economic fundamentals." The Greens accepted the spending limits and also had to abandon their position that Sweden should leave the EU. The Left Party, eager to expand social welfare programs cut by the current government, originally refused to accept a budget ceiling. But after weeks of wrangling and a SDP promise to consider higher taxes, Left Party Leader Lars Ohly agreed to the budget ceiling, calling it "the price we have to pay."

Why'd She Bring in the Communists?

5. (C) For the past year, SDP leader Sahlin was trying to move to the political center, according to Linde, in an

effort to capture the votes of the 160,000 former SDP supporters who abandoned the party in 2006 and voted for the Alliance. Bringing the Greens on board in the late summer caused few frictions within the party "because we are all Greens today," Linde added -- though several SDP MPs subsequently told us that taking in the Greens has further alienated the SDP core among Sweden's industrial unions in the North, where the Greens are despised because of their opposition to logging and mining and their support for higher taxes on gasoline.

16. (C) By bringing in the Left, Sahlin risks alienating the centrist SDP voters, and pleasing only the SDP's leftist and labor factions, for whom the Left Party still provides an "ideological anchor," according to Linde. Many of these SDP supporters cast their ballots for the Left Party on election day to ensure that "Comrade 4%" stays in Parliament, Linde added, alluding to the need for a party to garner at least 4% of the national vote in order to be represented in the legislature. The Greens are also not at all happy with having the Left on board; Jakob Dalunde of the Green Party Youth told poloffs on December 15 that the union was "a mistake for the Left and us."

17. (C) Sahlin finds herself in a difficult balancing game, trying to keep the left and right bookends on the SDP shelf. She is widely perceived as performing poorly at this task, Linde admitted, noting that polls show Sahlin's own popularity dropping while that of Prime Minister Fredrik Reinfeldt rises. As for the governing Alliance, contacts tell us they welcome the Left joining the opposition camp, because with the Left influencing the agenda, voters will

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have two very clear alternatives in front of them. Our Alliance interlocutors think that most voters will reject the strong swing to the left that the opposition bloc will likely be forced to take.

Polls  
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18. (C) Although historical odds favor the SDP in most elections, Sahlin's coalition-building efforts may not be helping the cause. Moderate Party political advisor Johan Lindahl told us recently that internal party polling suggests a much closer race than polls conducted by news organizations. The SDP's Linde agrees, noting that SDP internal polling shows only a 6% advantage for the opposition parties over the ruling Alliance ) "and all our voters are mobilized right now, while theirs are asleep."

How Will Economic Downturn Affect Government's Popularity?  
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19. (C) With major Swedish companies laying off workers, the Left's (and Greens') demand for higher taxes is not necessarily election-winning rhetoric. While the Left seems to be the only party realizing that a tax increase is necessary to finance the reinstatement and investment of welfare reforms, Ohly's political style is not so much influenced by consensus making as dictating.

Comment  
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110. (C) To regain Parliament in 2010, Sahlin needs to recapture centrist SDP voters who supported the center-right Alliance two years ago. But by bringing in the Greens, she upsets the Northerners, and by bringing in the Left, she upsets the centrists. The big unknown is how the three parties will agree on an overall joint policy. The Red-Green Coalition might not last through 2009.  
SILVERMAN